

**IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF VIRGINIA
Richmond Division**

ACMA USA, INC.,

Plaintiff/Counterclaim Defendant,

v.

Civil Action No. 3:08CV0071

SUREFIL, LLC,

Defendant/Counterclaim Plaintiff.

**EXCERPTS FROM THE DEPOSITION OF
RANDALL J. CHIPMAN TO BE READ INTO EVIDENCE**

Pursuant to the Court's Pretrial Scheduling Order, the parties served designated deposition testimony of Randall J. Chipman on October 29, 2008. The parties then filed counter-designations and objections.

The parties hereby jointly submit the designated deposition testimony of Randall J. Chipman, which was stenographically recorded on August 19, 2008, to be read into evidence during the trial of this case. Counsel for the parties agree these excerpts reflect their interpretation of the Court's rulings as made in open court on November 14, 2008.

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7 Q. Tell us please, sir, your full name?

8 A. Randall J, initial J, Chipman.

9 Q. And what is your current home address?

10 A. 4642 Pinefield Avenue, Portage, Michigan 49024.

11 Q. And what is your current business address?

- 12 A. Surefil, Danvers Avenue, Grand Rapids. I'm not sure of the
13 street address.
- 14 Q. Okay. Have you ever given testimony under oath before, sir?
- 15 A. No.

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- 6 Would you give me, please, your formal education?
- 7 I assume that you have a high school diploma?
- 8 A. I have a high school education, yes, I do.
- 9 Q. And do you have any formal education after high school?
- 10 A. I have a B.S. in biology.
- 11 Q. And from --
- 12 A. Nazareth --
- 13 Q. -- what institution?
- 14 A. Nazareth College, Kalamazoo, Michigan.
- 15 I also have a bachelor's of business
16 administration from Nazareth College; I have an associate's
17 in applied science and industrial technology from Kalamazoo
18 Valley Community College.
- 19 Q. And what year did you get the associate's degree?
- 20 A. 1985, I believe.
- 21 Q. When did you go to work for Surefil?
- 22 A. June 25th, 2008.
- 23 Q. What is your current position?

24 A. Director of manufacturing.

25 Q. Would that be referred to as the plant manager?

Page 7:

1 No.

2 Q. Does Surefil have a plant manager?

3 A. Yes, they do.

4 Q. And who is the plant manager?

5 A. Paul Arnett.

6 Q. Describe your duties as director of manufacturing.

7 A. I'm in charge of the warehouse distribution, receiving,
8 production, manufacturing; plant manager reports to me.

9 Q. And what does the plant manager do? What is his job
10 description?

11 A. Detailed production, maintenance.

12 Q. Before going to -- in the period before you went to work for
13 Surefil, would you summarize for me, please, your employment
14 history and what you did in each of the different positions
15 you've held?

16 A. I worked at Pfizer for 21 years.

17 Q. And what did you do in your various capacities at Pfizer?

18 A. My last position was operations manager over dry products
19 packaging; prior to that I had dry products mixing,
20 blending, and granulating; prior to that I was in quality

21 assurance.

25 Q. And after Pfizer did you go to Surefil or did you have

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1 another stop?

2 A. I went to Perrigo for a year and worked in validation, as a

3 validation engineer, for six months; and then I went to

4 compressing for six months as a supervisor.

13 A. After Perrigo I went to Cardinal Health, which is now

14 Catalent, in Philadelphia, as director of operations for

15 bottle packaging.

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14 Q. And would you agree that there are two production lines at

15 Surefil?

16 A. There are two, and we have a hand line.

17 Q. And line one, would it be correct, is often referred to as

18 the Ronchi --

19 A. That's --

20 Q. -- line, R-o-n-c-h-i?

21 A. That's correct.

22 Q. And then line two is the ACMA line?

23 A. That's correct.

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6 Q. What did he tell you during that interview with respect to

7 the relationship between ACMA and Surefil?

8 A. That there was difficulties getting parts, that there was

9 some friction between the two companies.

Page13:

5 Q. Had you -- your prior experience makes it seem like you

6 probably hadn't had prior experience with capper/filler

7 machines such as the Ronchi machine at Surefil or the ACMA

8 machine. Is that a correct supposition?

9 A. No, it's not.

10 Q. All right. What kinds of experience have you had with

11 bottling machines?

12 A. That's all we did. We had bottle machines at Pfizer and at

13 Cardinal Health, were all bottle machines. So we -- they

14 were all capped.

15 Q. What brands of machines were used at Pfizer?

16 A. We had Weiler cappers.

17 Q. And how about bottling machines?

18 A. Lasko fillers.

19 Q. But no -- no Ronchi machines and no ACMA machines?

20 A. No.

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6 Q. Does the ACMA machine -- has the ACMA machine been involved

7 in any production since you've been at Surefil?

8 A. Yes, it has.

9 Q. Do you have any idea why Mr. Hunt would be saying it doesn't
10 work?

12 A. We have -- in my experience we have -- when we purchase
13 equipment, the manufacturer stays there until the equipment
14 is installed properly and runs properly. We have a head
15 that does not fill, which causes us to have a lot of waste.
16 And -- go ahead.

18 Q. So -- well, what -- what would the phrase "does not work"
19 mean to you? To me it would mean doesn't work, don't use it
20 in production. What does it mean to you?

22 A. It means that the head does not work. We have 28 heads on
23 it that are supposed to fill, and we have one head that
24 doesn't fill at all; it's erratic, it causes mess, it shuts
25 down.

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2 Q. Have you discussed with Mr. Hunt getting any -- trying to
3 seek support from ACMA to fix that machine?

4 A. Yes, we have.

5 Q. And what did Mr. Hunt tell you when you asked him about
6 that?

7 A. In the beginning it was, we don't get support from them, we
8 have to fix it yourself.

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12 Q. Have you made inquiry to the people who worked for you as to
13 what kind of training they have had in the operation of the
14 ACMA machine?

15 A. I've discussed it with Paul; and until this, I haven't heard
16 much about the training.

17 Q. What did -- and Paul is Paul Arnett?

18 A. Correct.

19 Q. What did he tell you about training?

20 A. That a gentleman -- Anders? Andre? -- and Tommy, and some
21 of the other people from ACMA, and -- Finch? Finn?

22 Q. Hench, H-e-n-c-h? Does that --

23 A. No.

24 Q. -- ring a bell?

25 A. No. The gentleman from -- why can't I think of his name.

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1 Finn? Finner?

2 Q. Fenner?

3 A. Fenner was up. And so it was hands-on there. And they
4 indicated that they had gone down for some training but it
5 was not very thorough.

13 Q. Now, when you were at Pfizer, were you involved in any of
14 the commissioning of any of the bottling machines, filler

15 machines?

16 A. Yes, I was.

17 Q. When a machine like that arrives on site, do you expect to

18 plug it in and put it into production within a day or so of

19 its arrival?

20 A. No, you -- I don't.

21 Q. You would agree, would you not, that it's typically a

22 multi-week process to install the machine, adjust the line,

23 test the machine, go through various production cycles at

24 various speeds, et cetera?

25 A. Yes.

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2 A. Yes, I would.

4 Q. If it were you who were in charge of the production line,

5 would you ever expect a filler/capper machine to arrive, be

6 connected to the line, and almost immediately go into

7 production? By "almost immediately," within a matter of

8 days?

9 A. No.

10 Q. Would you -- if you were to make that demand upon the

11 company that provided the capper/filler, would you expect

12 them to object to putting the machine into production that

13 quickly?

16 Q. Or is it -- or to rephrase, was it something you would never
17 even contemplate asking them?

19 A. It's highly unlikely that you would ask a company to do that
20 in a couple days.

22 Q. Are you aware of whether that happened with respect to the
23 installation of the ACMA machine?

24 A. No, I'm not.

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8 Q. So if -- if ACMA says the machine is capable of 240, do you
9 take that as being a promise that the machine will run
10 240 regularly?

11 A. Yes.

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13 Q. Have you had any discussion with anybody at Surefil about
14 the long-term plans of Surefil for the ACMA line?

15 A. Yes, we have.

16 Q. And what are the nature of those plans?

17 A. To get it running correctly and -- any way that we can, have
18 our people look at it and see if we can't fix it.

19 Q. And -- and what is it that Surefil is planning to do to get
20 the machine, in your phrase, running correctly?

21 A. What I've seen so far is they've gone through a process of
22 elimination to see what the problem is and try to eliminate

23 all variables and try to see if they know exactly what the
24 problem is.

25 Q. And would it be fair to say that so far Surefil has not been

Page 39:

1 successful?

3 A. It's not my area of expertise, but we believe there -- the
4 motherboard is not operating correctly.

Page 41: Questions by Mrs. Williams:

18 Q. I just have one quick question about -- Mr. Baldwin had
19 asked you a question in relation to the other machines on
20 line two and there being problems with those and them having
21 an impact on the line. Have you been able to correct the
22 problems that come up with other components of the line --
23 when I say "other," other than the ACMA filler/capper -- as
24 they arise?

25 A. Yes, we can.

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1 Q. Are you able to do that with the ACMA filler and capper?

2 A. No, we can't.

SUREFIL, LLC,

By /s/ Christine A. Williams

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